



CITY AUDITOR

Program Goal

The City Auditor Department supports the city manager and elected officials in meeting residents' needs for quality government, products and services by providing independent and objective feedback on the city's programs, activities and functions. The city auditor's work is vital in maintaining trust and confidence that city resources are used effectively and honestly. The City Auditor budget also funds an annual independent audit conducted by outside auditors in accordance with the City Charter. This includes an audit of city accounting and financial records, the federal single audit, review of the City of Phoenix Employees' Retirement System, external audits of specific activities and review of business systems for possible improvements.

Budget Allowance Explanation

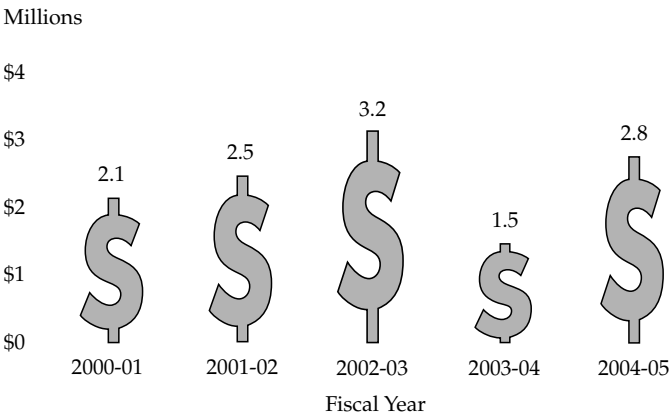
The City Auditor 2004-05 operating budget allowance of \$2,886,000 is \$158,000 or 5.8 percent more than 2003-04 estimated expenditures. This increase is primarily due to inflationary adjustments including an increase in the cost of the annual independent audit. These increases are partially offset by a reduction in funding for technical audits and an auditor III position that will be held vacant. These reductions will result in longer cycle times for completion of audits and possibly in missed opportunities for cost savings and delayed efficiency improvements.

The budget includes an auditor position to perform audits of Aviation's People Mover Project. The cost of this position will be charged to the Aviation Department's Capital Improvement Program.

Expenditure and Position Summary

	2002-03	2003-04	2004-05
Operating Expense	\$2,399,000	\$2,728,000	\$2,886,000
Total Positions	33.5	33.5	34.5
Source of Funds:			
General	\$2,399,000	\$2,728,000	\$2,886,000

**City Auditor
Economic Impact of Recommendations**



City Auditor Major Performance Measures and Service Trends

The following significant performance measures and service trends will be achieved with the 2004-05 budget allowance:

	2002-03	2003-04*	2004-05
Performance audit and management reports issued	161	140	150
Percentage of commitment dates met	91%	85%	90%
Percentage of rulings issued timely	100%	100%	100%
Audit cycle time (calendar days)	126	140	125
Cost per audit	\$16,700	\$16,500	\$16,000
Customer Satisfaction (Scale 1 to 10, 10 being highest)	8.6	8.6	9.0

*Based on 10 months actual experience.